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June 10, 2005

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station
Boston, MA 02110

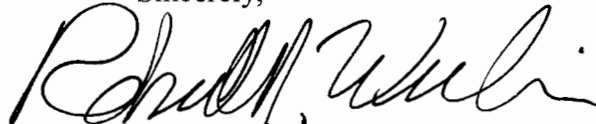
Re: D.T.E. 05-44, Boston Edison Company

Dear Secretary Cottrell:

Enclosed for filing in the above-referenced matter is an original and four copies of the responses to the Information Requests set forth on the accompanying list.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert N. Werlin", written in a cursive style.

Robert N. Werlin

Enclosures

cc: Shaela McNulty Collins, Hearing Officer
Colleen McConnell, Assistant Attorney General

Responses to Information Requests

Information Request DTE-1-1

Information Request DTE-1-2

Information Request DTE-1-3

Information Request DTE-1-4

Information Request DTE-1-1

Please provide electronic copies of Exhibit BEC-HCL-2 and any associated work papers in Microsoft Excel format, with all formulas and links contained in the cells.

Response

An electronic copy of Exhibit BEC-HCL-2 is provided as Attachment DTE-1-1.

Information Request DTE-1-2

Refer to Exhibit BEC-HCL-2. Please explain (1) the function of the column labeled "Rate Design" and (2) the process used to determine the values in that column using rate classes R-4 and G-1 as examples.

Response

The "Rate Design Adjustment" sets forth changes in individual rate components necessary to implement the overall rate changes when such rate changes cannot be implemented in the usual manner. For example, in a TOU rate, if there is currently no \$/kWh charge in the off-peak period, there would be no indicated \$/kWh credit in this period because that rate component would become negative. Instead, the off-peak credit is converted to a peak credit by the ratio of the respective TOU period kWh values. This process results in the same indicated overall revenue levels for the rate. The entries in the "Rate Design Adjustment" column set forth the resulting component rate changes. This process is also used to convert \$/kWh charges to \$/kW charges when indicated.

Specifically for Rate R-4, the present total transition charge, the sum of the transition and transition rate adjustment, is zero for the off-peak period. In order to maintain the total rate at zero, the indicated Transition Adjustment of (0.00701) cents/kWh for the seasonal off-peak periods was converted to (0.01504) cents/kWh and (0.02212) cents/kWh applicable to the winter and summer peak periods respectively. The appropriate credits and offsets are posted in the "Rate Design Adjustment" column.

In the case of Rate G-1, the present total transition charge, the sum of the transition and transition rate adjustment, is zero for the tail-block rate in each season. In order to maintain the total rate at zero, the indicated Transition Adjustment of (0.00701) cents/kWh for the tail-blocks was converted to (0.00094) cents/kWh and (0.00096) cents/kWh applicable to both the first and second energy rate block rates for winter and summer, respectively. The appropriate credits and offsets are posted in the "Rate Design Adjustment" column.

Information Request DTE-1-3

Refer to Exhibit BEC-HCL-2. Please explain the function of the charge labeled “Transition Rate Adjustment” (see, e.g., Exhibit BEC-HCL-2, at 2, “Customer Charge” column for R-1, above the “Pension Adj. Factor” charge).

Response

The Transition Rate Adjustments reflect the credit or recovery of over- or undercollections of prior year transition charges for each rate class. The derivation of the values is set forth in Exhibit BEC-HCL-6 and explained in Exhibit BEC-HCL at page 6 filed in D.T.E. 04-113. Attachment DTE-1-3 contains the cited portions of D.T.E. 04-113.

Attachment DTE-1-3

1 **Q. How have you reflected the change to the Transition Charges in Boston**
2 **Edison's rates?**

3 A. First, I assign the same average Transition Charge rate to each rate class, with the
4 exception of Rate WR, which I will discuss separately. To this average Transition
5 Charge, I add a class-specific Transition Charge Adjustment, pursuant to Section 2.4
6 of the terms of the settlement agreement entered into between and the Attorney
7 General in D.T.E. 00-82, approved by the Department on November 16, 2001. The
8 methodology for the calculation of the Transition Charge Adjustment for each class
9 for the year 2004 is set forth in Exhibit BEC-HCL-6. The purpose of the adjustment
10 is to ensure that the reconciliation of the Transition Charge maintains a uniform
11 recovery of the average transition charge from each customer class.

12 **Q. How have you reflected the Transition Rate Adjustment for Rate T-1?**

13 A. In the rates implemented for year 2002, the Transition Charge Adjustment calculated
14 for Rate T-1 was 3.072 cents/kWh. This represented the adjustment for the years
15 1998 through 2000. This amount of adjustment was too great to implement in one
16 year while maintaining the mandated 15 percent rate reduction for this rate class. As
17 a result, Boston Edison implemented only a portion (25%) of this total adjustment in
18 its rates for 2003 and 2004. Similarly, for 2005, the Company has added 0.180 cents
19 per kWh to the indicated adjustment applicable in year 2005 (i.e., $0.091 + 0.180 =$
20 0.271). The remaining portion of the 1998-2000 adjustment will be implemented in
21 future years.

BOSTON EDISON COMPANY
Year 2003
Transition Revenue Analysis

Rate	RRC	Billed kWh a	Billed Transition \$ b	Theoretical Rate c	Theoretical Transition \$ d	Year 2003 Overpayment (Underpayment) e	Adjustment f	Estimated 2004 kWh g
					a * c	b - d	-e / g	
R-1	A1, A7	3,511,944,413	\$ 64,207,677	\$ 0.01840	\$ 64,619,777	\$ (412,100)	\$ 0.00011	3,667,541,014
R-2(R-1)	A2	180,858,102	\$ 3,312,416	\$ 0.01840	\$ 3,327,789	\$ (15,373)	\$ 0.00008	188,871,015
R-2(R-3)	A3	26,564,524	\$ 482,856	\$ 0.01840	\$ 488,787	\$ (5,931)	\$ 0.00021	27,741,465
R-3	A4, A8	538,361,408	\$ 9,818,631	\$ 0.01840	\$ 9,905,850	\$ (87,219)	\$ 0.00016	562,213,495
R-4	A5, A6	2,342,517	\$ 44,983	\$ 0.01840	\$ 43,102	\$ 1,881	\$ (0.00077)	2,446,302
G-1(no dem)	A9	433,407,552	\$ 7,879,097	\$ 0.01840	\$ 7,974,699	\$ (95,602)	\$ 0.00021	452,609,662
T-1	B5, B6	112,211	\$ 1,958	\$ 0.01840	\$ 2,065	\$ (106)	\$ 0.00091	117,183
G-1(dem)	B1	172,841,267	\$ 2,935,887	\$ 0.01840	\$ 3,180,279	\$ (244,392)	\$ 0.00135	180,498,995
G-2	B2, B9	2,668,195,551	\$ 47,537,251	\$ 0.01840	\$ 49,094,798	\$ (1,557,548)	\$ 0.00056	2,786,409,882
H2	G5	695,617	\$ 9,760	\$ 0.01840	\$ 12,799	\$ (3,039)	\$ 0.00418	726,436
G3	B3, B4, G6, G7	3,277,589,374	\$ 57,714,777	\$ 0.01840	\$ 60,307,644	\$ (2,592,867)	\$ 0.00076	3,422,802,882
SD	E5, E6	-	\$ -	\$ 0.01840	\$ -	\$ -	\$ -	-
HT	G3, G4	-	\$ -	\$ 0.01840	\$ -	\$ -	\$ -	-
T2	B7, B8, G8, G9	3,835,258,443	\$ 64,228,408	\$ 0.01840	\$ 70,568,755	\$ (6,340,347)	\$ 0.00158	4,005,179,464
S1	C1	18,628,797	\$ 299,543	\$ 0.01840	\$ 342,770	\$ (43,226)	\$ 0.00222	19,454,145
S2	C2, C4	113,589,397	\$ 2,005,038	\$ 0.01840	\$ 2,090,045	\$ (85,007)	\$ 0.00072	118,621,972
S3	C3	20,876,845	\$ 392,121	\$ 0.01840	\$ 384,134	\$ 7,987	\$ (0.00037)	21,801,793
Amtrak	E7	54,222,000	\$ 981,473	\$ 0.01840	\$ 997,685	\$ (16,212)	\$ 0.00029	56,624,304
NEA, NE	E3, E4	325,567	\$ 6,372	\$ 0.01840	\$ 5,990	\$ 381	\$ (0.00112)	339,991
Total		14,855,813,585	\$ 261,858,249		\$ 273,346,970	\$ (11,488,721)	\$ 0.00074	15,514,000,000

Total in Millions - underpayment = cost in 2005

11,489

BOSTON EDISON COMPANY
Year 2003
Transition Revenue Analysis

<u>Rate</u>	<u>RRC</u>	<u>Billed kWh</u> a	<u>Billed Transition \$</u> b	<u>DTE 02-80A Exhibit HCL-6</u> c	<u>2003 Transition Adj. Revenues</u> d	<u>Billed Transition net of Transition Adj.</u> e
R-1	A1, A7	3,511,944,413	63,259,452	(0.00027)	(948,225)	64,207,677
R-2(R-1)	A2	180,858,102	3,263,584	(0.00027)	(48,832)	3,312,416
R-2(R-3)	A3	26,564,524	480,200	(0.00010)	(2,656)	482,856
R-3	A4, A8	538,361,408	9,527,916	(0.00054)	(290,715)	9,818,631
R-4	A5, A6	2,342,517	42,008	(0.00127)	(2,975)	44,983
G-1(no dem)	A9	433,407,552	7,900,767	0.00005	21,670	7,879,097
T-1	B5, B6	112,211	2,517	0.00498	559	1,958
G-1(dem)	B1	172,841,267	2,909,961	(0.00015)	(25,926)	2,935,887
G-2	B2, B9	2,668,195,551	47,270,431	(0.00010)	(266,820)	47,537,251
H2	G5	695,617	12,355	0.00373	2,595	9,760
G3	B3, B4, G6, G7	3,277,589,374	58,960,261	0.00038	1,245,484	57,714,777
SD	E5, E6	-	-	0.00158	-	0
HT	G3, G4	-	-	0.00591	-	0
T2	B7, B8, G8, G9	3,835,258,443	68,830,718	0.00120	4,602,310	64,228,408
S1	C1	18,628,797	296,004	(0.00019)	(3,539)	299,543
S2	C2, C4	113,589,397	1,997,087	(0.00007)	(7,951)	2,005,038
S3	C3	20,876,845	387,111	(0.00024)	(5,010)	392,121
Amtrak	E7	54,222,000	981,473	-	-	981,473
NEA, NE	E3, E4	325,567	8,019	0.00506	1,647	6,372
Total		14,855,813,585	266,129,864		4,271,615	261,858,249

Information Request DTE-1-4

Refer to Exhibit BEC-HCL-3. Please provide bill impacts using, in the proposed rates section of the analyses, the default service rates and the default service adder, which the Department approved on May 27, 2005, to be effective on July 1, 2005. Provide these documents in Microsoft Excel format, with all formulas and links contained in the cells.

Response

Please refer to the Excel spreadsheet provided as Attachment DTE-1-4 at the tab labeled "Exh 8-TypBills".